



Representative Lynn Kessler

24th Legislative District

2002 Session Report

Dear Friends:

When the 2002 Legislative Session began most everyone predicted we would never finish our work on time and when all was finally said and done taxes would be higher, there would be no break-through on transportation, and accomplishments would be slim to none. As it turned out, we met every challenge.

In the short span of 60 days, we balanced the budget without a general tax increase, we broke through years of political gridlock on transportation, and we accomplished a great deal more to make government more efficient and accountable to help families, businesses, workers, and education.

I take great pride in the work and success of House Democrats this session.

As always, it's my honor to serve as your representative and I look forward to hearing your ideas on ways to improve the quality of life we all enjoy on the Olympic Peninsula.

Respectfully yours,

Lynn Kessler
State Representative
24th Legislative District



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Transportation

The economic engine that drives our economy

After several years of hand-wringing in Olympia, we finally passed a historic 10-year, \$7.7 billion transportation plan to improve **road safety** and **relieve traffic congestion** across the state that will be sent to you for approval.

The plan includes a 9-cent increase in the gas tax – introduced over a two-year period– and a combination of other fees to generate a \$7.7 billion investment in our state's transportation system. Of that amount, \$5.5 billion will be spent on congestion relief and road safety on state highways and \$1.8 billion for transportation choices including buses, rail, and passenger-only ferries. An additional \$330 million is dedicated for local projects in cities, suburbs and our rural communities.

Most people understand how important fixing our huge transportation problem statewide is for the future of our economy. Most people also want a balanced, common sense approach to address the problem and, according to a recent statewide poll, 75% of those surveyed want an opportunity to vote on it.

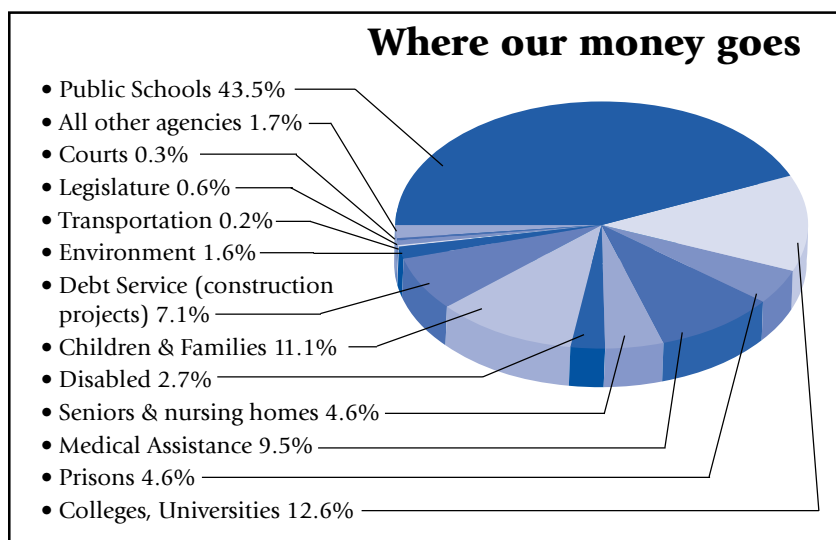
Because I believe legislators are elected to make tough decisions on taxes and other major issues, I voted for this plan to save lives, ease gridlock, speed up the delivery of goods to and from our markets and ports, and create thousands of new jobs statewide.

If approved by the voters, the gas tax increase would cost the average driver approximately \$4.50 a month or \$50.00 a year. The final decision on whether to move forward with that investment will be yours to make at the polls in November.

Operating budget

September 11 had a huge impact on our economy and state revenues.

When we wrote the state budget late last spring, we thought everything that *could* happen *had* happened - a sliding economy, Boeing headquarters move, drought, energy crisis, and an earthquake of 6.8 magnitude. But then came the tragic events of September 11th and state revenues plummeted \$800 million.



Washington's economy was hard hit. Add the higher price tag of increasing public school enrollments and rising health care costs for the poor, and we were suddenly facing a revenue shortfall of nearly \$1.6 billion.

Holding the line on taxes

We tightened our belts and balanced the budget without raising taxes.

To avoid a tax increase and fill the \$1.6 billion budget gap we made a deep \$700 million cut in services, eliminated more than 900 state jobs, reduced state employee benefits, and painstakingly re-apportioned what was left to protect education and other vital programs. We also dipped into reserves that were set aside for exactly this kind of emergency.

Finally, after much debate, we used 20% of the state's tobacco settlement money to raise \$450 million and avoid devastating cuts in health care and education. Although many other services still fell victim to the budget ax, without the tobacco money the cuts would have been much, much worse. As it is, the tobacco settlement funds will apply to our spiraling health care costs.



Setting the record straight on tobacco money

Had we not used some of the state's tobacco settlement money to cushion the blow, human service cuts would have been devastating.

This was a difficult decision. Did I want to do it? No. Did I want to cut another \$450 million in education and programs for our seniors, disabled citizens, and medical care for our kids? No.

The decision was to tap into and use 20% of our future tobacco settlement revenues. That leaves over \$2 billion in tobacco money to continue our commitment to health care well into the future.

Capital Budget Plan

This is economic stimulus. It will create jobs.

I am proud to say that the 24th District was awarded additional capital construction money. Supported by general obligation bonds, these are small but urgently needed renovation and repair projects to improve our community colleges, state parks, corrections and other important facilities not only on the Olympic Peninsula, but statewide. Local companies will employ local people to do the work, creating much needed jobs on the Peninsula.

24th Legislative District Economic Stimulus Projects

Economic Development

Port Angeles skills center \$3 million

Community Colleges

Peninsula Facility Repairs \$2.3 million

Corrections

Clallam Bay Exterior \$334,500

Olympic CC Energy Plant \$179,000

State Parks Improvements

Lake Sylvia Day Use \$90,000

Ocean City North Beach \$175,000

Old Ft. Townsend \$175,000

Sequim Bay fish passage barrier \$250,000

Fish and Wildlife

Dungeness Hatchery upgrade \$290,000

TOTAL \$6.9 million

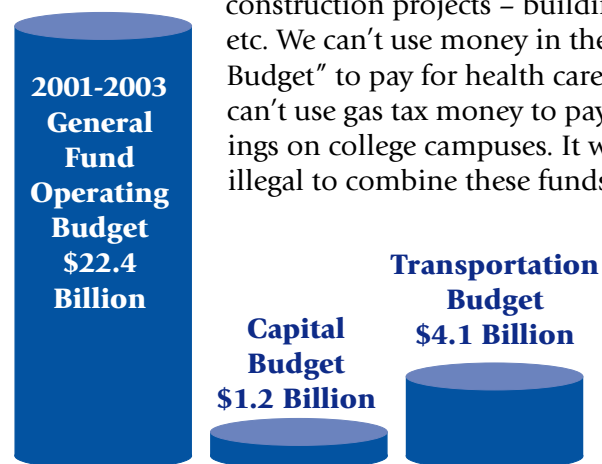
Tug - Sol Duc - Ft. Worden

With the state's severe budget situation every program and service was on the table for a thorough review. Some were eliminated, others survived and among them were three projects very near and dear to the 24th District. The money to continue the operation of the Neah Bay Rescue Tug and to keep the Sol Duc Fish Hatchery open was provided, as were funds to complete the improvement projects at Ft. Worden.

One State – Three Budgets

How can we be spending money on Peninsula Community College when we're facing budget cuts in other areas?

The state operates with three distinct budgets, one for transportation projects, another to pay for state services including education, and another to cover the cost of construction projects – buildings, repair, etc. We can't use money in the "Capital Budget" to pay for health care and we can't use gas tax money to pay for buildings on college campuses. It would be illegal to combine these funds: therefore, one state and three budgets.



Other Major Highlights and Accomplishments

Extraordinary success in record time

For the first time since 1998, the Legislature completed its work and adjourned on time. Going in, everyone said we'd be lucky just to pass a budget, and as I said at the beginning, we met those challenges. We accomplished far more than even the most optimistic on-looker thought possible, including:

- **Safe Schools** - This anti-bullying and harassment bill requires that each school district adopt a policy prohibiting harassment, intimidation or bullying. Victims of bullying often experience serious psychological harm, including a drop in grades, an increase in anxiety, and a loss of friends.
- **Family Leave** - To help people to balance work and family responsibilities, workers may now use their earned sick leave to care not only for themselves and their children, but also for other loved ones—spouses, parents, and grandparents.
- **Help for domestic violence victims** - Speaking as the prime sponsor of this bill on behalf of all victims of domestic violence, this is a major victory. Before, if victims of abuse had to leave their jobs to escape, they could not receive unemployment benefits. Now they can receive

this much-needed economic help to rebuild their lives.

- **Unemployment Insurance Reform** - With the support of business and labor, this long-awaited change makes Washington's unemployment premiums more equitable and uniform and will save businesses millions of dollars over the next three years.
- **Credit Scoring** - A top priority for consumer groups, this limits the use of credit reports by insurance companies to determine who gets auto insurance and how much they will pay.
- **Drug-sentencing reform** - Supported by all segments of the law-enforcement community, this will help break the cycle of addiction and save hundreds of millions of tax dollars in future criminal justice costs. It focuses on drug treatment, but at the same time, increases the penalties for selling drugs to children.
- **Public Works Trust Fund** - Provides loans to communities to repair sewer, water, road and recycling facilities statewide. Jefferson and Clallam counties will receive \$3 million in loans for two major water purification and pipeline upgrade projects. Statewide, this bill will create about 2,500 jobs now, providing an immediate economic stimulus in every part of Washington.

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Lynn Kessler
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